

CERTIFICATE OF MAILING

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May 7, 2002

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Vita G. Conforti Reg. No. 39,639

Name of Applicant, Assignee or
Registered Representative

Vita Conforti

Signature

May 7, 2002

Date of Signature

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicants: Donald F. Swanson

Serial No.: 09/929,857

Filed: August 13, 2001

For: PORTABLE RACK FOR BUILDING MATERIAL AND METHOD OF USING
SAME

Examiner: Janet Wilkens

Art Unit: 3636

Docket No.: 8491-47

Date: May 7, 2002

DECLARATION OF DONALD SWANSON**37 CFR § 1.132**

I, Donald F. Swanson, declare and state as follows:

1. After a year of framing residential homes, I attended Seattle Pacific University and earned a double degree in Business Administration and Marketing. After graduation, I started and ran a general contracting business for seven years doing subcontracting of residential siding and during the peak of the business employed over 40 siding applicators. In 1990, I began working at Plywood Supply, Inc., a wholesale wood

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product company located in Kenmore, Washington. Plywood Supply, Inc. has annual sales in the millions and employs over 70 people. I am currently the Executive Vice President of Operations. My responsibilities include, but are not limited to, overseeing personnel, extensive construction activity, order processing, facility layout, and marketing.

2. I have been working in the contracting, plywood and lumber industry for at least 20 years, during which time I have gained extensive experience in the shipping, packaging, selling, preparing, bundling and buying of wood and wood products.
3. During my 12 years of employment at Plywood Supply Inc., I have gained significant experience in the shipping, packaging, selling, preparing, bundling and buying of wood and wood products.
4. I am the inventor in the above-noted patent application containing method claim 34.
5. I have read and understand the disclosure and claims of the above-noted patent application.
6. Plywood Supply Inc. is located on an 18-acre lot. Various building materials are dispersed around the very large lot.
7. To the best of my knowledge and in my personal experience, prior to my invention, packaging and bundling building materials onto a rack was very time consuming, awkward, and laborious. For example, at Plywood Supply, Inc. a rack would be centrally placed on the 18-acre lot and building supplies had to be transported to the rack. To the best of my knowledge and in my personal experience, for a very long time there was no other manner in which to complete an order of bundled and/or packaged building materials.
8. In response to this long felt but unresolved need, I responded by inventing both the apparatus and the process for stacking and bundling building materials set forth in claim 34. In response to this long felt but unresolved need, as claimed in claim 34 and further

described in the specification, I invented a method of using the rack to reduce the distance traveled in filling an order by being able to go directly from a pick point to a pick point adding material to the rack in consolidation of the order as the order is filled.

9. I have read and understand U.S. Patent No. 3,848,747 to Thompson. ("Thompson").
10. Based upon my knowledge and experience, wood and wood products come in different sizes and shapes.
11. Based upon my knowledge and experience, buyers purchase different quantities and different types and sizes of wood and wood products.
12. Upon my review of Thompson, it is my understanding and belief that Thompson's stacking frame does not teach or suggest to me, a person of skill in the art of building materials and packaging, a method of using the stacking frame to bundle building materials of different sizes and shapes, with or without the aid of a forklift, by moving the building materials toward a side of the frame having an elongated vertical member until the building materials abut at least one of the elongated members.
13. Based upon my knowledge and experience in implementing the method recited in claim 34, I realized that a rack-like holding device could perform an important function in the process of packaging and delivering materials to be shipped to different buyers. The method of claim 34 consolidates two or more separate actions into one cost-effective, efficient, and reliable step. The method allows for bundling different sized objects and affects the efficiency and cost effectiveness of a lumber business.
14. Based upon my knowledge and experience, individuals who have utilized the method of claim 34 have reported several unexpected benefits directly attributable to the method of using the portable rack:
 - (a) at least a 15-40% time savings;
 - (b) at least a 25% cost savings;

- (c) less physically demanding on the operator;
- (d) clean and organized packages;
- (e) increased safety for operators and property by using the rack; and
- (f) less wear and tear on equipment.

15. Upon information and belief, the racks disclosed in Thompson have never been widely used or economically efficient. By contrast, portable racks and the method for using the same as claimed in the above-noted patent application have been extremely successful commercially for Plywood Supply. Based upon my knowledge, to date, Plywood Supply Inc. has used the portable rack and method, resulting in more efficient packaging, delivery and competitive pricing, and profitability. Based on my knowledge, some unexpected benefits directly attributable to the method of the portable rack include:

- (a) **At least a 15 to more than 40 percent time savings** – Labor savings range from 15% to over 40%. Time savings varies based on the type and quantity of the product to be made into each order.
- (b) **Cost Savings:** Using a conservative 25% efficiency savings rate, with Plywood Supply's current 14 yard personnel utilizing the method of using the racks on a regular basis, Plywood Supply saves an estimated \$112,896 per year. This conservatively takes into account the following:
 - (i) Labor savings;
 - (ii) Payroll tax and insurance savings;
 - (iii) Average benefits pay savings; and
 - (iv) Forklift fuel savings.

This does not include any savings associated with not having to purchase and maintain 2 or 3 additional forklifts, the expense to maintain and repair the forklifts, the lower level of service Plywood Supply would provide to customers if it were not using the method, pressure to raise prices to maintain appropriate profit margins to cover expenses if it were not using the method, pressure to reduce compensation levels to be competitive if it were not using the method, etc.

16. To my knowledge, other employees of Plywood Supply who do not use the method as claimed in claim 34 are not as productive as those who do use the method of claim 34.
17. Based upon my knowledge, using the portable racks and the method for using same as claimed in the above-noted patent application, has resulted in greater capacity, allowing Plywood Supply Inc. to process more orders as shown in Table 1 below.

MONTHLY	YEARLY
15% efficiency savings rate \$5,645	15% efficiency savings rate \$67,740
25% efficiency savings rate \$9,408	25% efficiency savings rate \$112,896
40% efficiency savings rate \$15,053	40% efficiency savings rate \$180,636

Table 1

18. Based on my knowledge, additional novel, surprising and unexpected benefits of using the method include:

- (a) **Less Physically Demanding for the Operator** - Less physical work for the operator due to the technique of assembling the order with the rack system and the portability of the rack.
- (b) **Clean and Organized Packages** – The method of using the portable rack allows the loads to be straight vertically on the face of the order and tightly fitted together. This makes handling the orders safer and more efficient. Orders filled by Plywood Supply using the method look significantly different from any competitor's orders and when delivered off the dump flat bed delivery truck remain banded together in one complete package. The competition's packages typically fall apart.
- (c) **Safety** – Because two completed orders are typically loaded on a delivery truck to eventually be dump unloaded at a construction site, having two packages with clean straight sides, or edges, due to the method and assembly procedure of using these racks to process the order, the loads slide off the flat beds in a much safer and controlled manner. If this is not done properly, 10,000 lb orders, for example, have come off the sides of our trucks causing great damage.
- (d) **Less wear and tear on equipment** – Each forklift is much more productive because each move and distance traveled is reduced because of being able to go

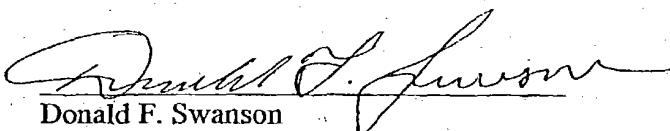
directly from pick point to pick point adding material to the consolidation of the order as you go.

19. Due to the increased efficiency in filling orders using the method of claim 34, Plywood Supply has experienced the following increase in the amount of lumber footage sale and dollar increase in sales in the last 12 months with 14 people using the method and the rack on a regular basis:

Efficiency Percentage Gain:	Production Capacity Gain Board Footage:	Gain in Sales Value:
15%	3,415,156	\$3,018,100
25%	5,236,564	\$4,627,700
40%	7,480,798	\$6,611,000

I declare that all statements made herein of my own knowledge are true, and that all statements made upon my information and belief are believed to be true. I further declare that all statements made herein were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of this patent application or any patents issuing thereon.

May 7th, 2002
Date


Donald F. Swanson

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I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450, on

July 8, 2003

Date of Deposit

Eun-Young Choi, Reg. No. P53,032

Name of Applicant, Assignee or
Registered Representative



Signature

Our Case No. 8491-50

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:
Donald F. Swanson

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Serial No.:
tba

)

Examiner:

Filing Date:
July 8, 2003

)

Group Art Unit No.:

For: PORTABLE RACK FOR BUILDING
MATERIALS AND METHOD OF USING
SAME

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ASSOCIATE POWER OF ATTORNEY

Commissioner for Patents
Alexandria, VA 22313-1450

Dear Sir:

Please recognize the following attorney as an associate attorney in the above-identified patent application, ~~which is assigned to~~ :

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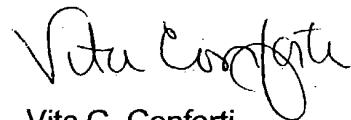
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Respectfully submitted,



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